

**ELAINE P. NUNEZ
COMMUNITY COLLEGE
FOUNDATION**

Audit of Financial Statements

June 30, 2006

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 2/27/08

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Independent Auditor's Report

To the Board of Trustees
Elaine P. Nunez Community College Foundation

We have audited the accompanying statements of financial position of Elaine P. Nunez Community College Foundation (the Foundation) (a non-profit organization) as of June 30, 2006, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Elaine P. Nunez Community College Foundation as of June 30, 2006, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A Professional Accounting Corporation

December 21, 2007

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ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
Statement of Financial Position
June 30, 2006

Assets	
Current Assets	
Cash	\$ 114,700
Restricted Cash	873,892
Interest Receivable	-
Total Current Assets	<u>988,592</u>
Long-term Investments	6,274
Property and Equipment	-
Total Assets	<u><u>\$ 994,866</u></u>
Liabilities and Net Assets	
Liabilities	
Accounts Payable	\$ -
Net Assets	
Unrestricted	101,539
Temporarily Restricted	259,530
Permanently Restricted	<u>633,797</u>
Total Net Assets	<u>994,866</u>
Total Liabilities and Net Assets	<u><u>\$ 994,866</u></u>

The accompanying notes are an integral part of these financial statements.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
Statement of Activities
For the Year Ended June 30, 2006

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Revenues, Support and Reclassifications				
Contributions	\$ 903	\$ 69,881	\$ -	\$ 70,784
Development and Fund Raising - GALA	6,360	-	-	6,360
Interest Income	4,296	17,280	-	21,576
Dividends	214	-	-	214
Net Assets Released from Restrictions	2,234	(2,234)	-	-
Total Revenues	14,007	84,927	-	98,934
Expenses				
Program Services				
Other	136	-	-	136
Endowed Professorships	1,780	-	-	1,780
Awards	318	-	-	318
Total Program Services	2,234	-	-	2,234
Fundraising Expenses				
GALA Expense	867	-	-	867
Total Fundraising Expenses	867	-	-	867
Supporting Services				
Management and General	4,320	-	-	4,320
Total Supporting Services	4,320	-	-	4,320
Other Expenses				
Assets Destroyed in Hurricane	23,466	-	-	23,466
Total Expenses	30,887	-	-	30,887
(Decrease) Increase in Net Assets	(16,880)	84,927	-	68,047
Net Assets-Beginning of Year	118,419	174,603	633,797	926,819
Net Assets-End of Year	\$ 101,539	\$ 259,530	\$ 633,797	\$ 994,866

The accompanying notes are an integral part of these financial statements.

ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
Statement of Cash Flows
For the Year Ended June 30, 2006

Cash Flows from Operating Activities	
Increase (Decrease) in Net Assets	\$ 68,047
Adjustments to Reconcile Increase (Decrease) in Net Assets to Net	
Cash Provided by (Used in) Operating Activities	
(Increase) Decrease in Accrued Interest Receivable	444
Assets Destroyed in Hurricane	<u>23,466</u>
Net Cash Provided by (Used in) Operating Activities	<u>91,957</u>
 Cash Flows from Investing Activities	
Increase in Restricted Cash	<u>(84,927)</u>
 Net Cash Used in Investing Activities	<u>(84,927)</u>
 Net (Decrease) Increase in Cash and Cash Equivalents	7,030
 Cash and Cash Equivalents-Beginning of Year	<u>107,670</u>
 Cash and Cash Equivalents-End of Year	<u><u>\$ 114,700</u></u>

The accompanying notes are an integral part of these financial statements.

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION**

Notes to Financial Statements

Note 1. Nature of Activities

The Elaine P. Nunez Community College Foundation financially assists the students attending Elaine P. Nunez Community College in pursuing their collegiate training. The Foundation also provides the Community College with funds with which to acquire or purchase real or personal property, to pay for services for instruction, and for the purpose of providing funds to carry on any proper activity of the College.

Note 2. Summary of Significant Accounting Policies

The financial statements of the Foundation have been prepared on the accrual basis. The significant accounting policies followed are described below to enhance the usefulness of the financial statements.

Financial Statement Presentation

The Foundation complies with Statement of Financial Accounting Standards (SFAS) No. 117, *Financial Statements of Not-for-Profit Organizations*. SFAS No. 117 establishes standards for general purpose external financial statements of not-for-profit organizations and requires a statement of financial position and a statement of activities. These statements must reflect the three categories of net assets: unrestricted, temporarily restricted, and permanently restricted. On the statement of activities, expenses are charged directly to program or supporting services based on specific identification. In addition, a statement of cash flows must be presented.

Contributions

The Foundation complies with SFAS No. 116, *Accounting for Contributions Received and Contributions Made*. SFAS No. 116 requires the Foundation to distinguish between contributions that increase permanently restricted net assets, temporarily restricted net assets, and unrestricted net assets. It also requires recognition of contributions, including contributed services meeting certain criteria, at fair value. Restricted net assets are reclassified to unrestricted net assets upon satisfactions of the time or purpose restrictions. Unconditional promises to give due in the next year are recorded at their net realizable value. Unconditional promises to give due in subsequent years are reported at the present value of their net realizable value, using a discount rate commensurate with the risks involved.

Cash Equivalents

The Foundation considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from these estimates.

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION**

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Property and Equipment

All acquisitions of property and equipment in excess of \$250 are capitalized. Property and Equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method.

Note 3. Restricted Cash

The restricted cash balance represents amounts collected on restricted pledges but not expended.

Note 4. Temporarily Restricted Net Assets

Temporarily restricted net assets are available for the following purposes:

School Program Development	\$ 57,078
Scholarships and Professorships	51,571
Day Care	7,308
Dinner Banquets	5,336
Arts Department	23,081
Industrial Tech Equipment	50,000
Industrial Tech Scholarships	6,800
Investment Income Restricted for Scholarships and Professorships	<u>58,356</u>
Total Temporarily Restricted Net Assets	<u>\$ 259,530</u>

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION**

Notes to Financial Statements

Note 4. Temporarily Restricted Net Assets (Continued)

Net assets were released from restrictions for the following purposes during the years ended June 30, 2006:

Awards	\$ 318
Endowed Professorships	1,780
Other Development and Program Expenses	<u>136</u>
Total Net Assets Released from Restriction	<u>\$ 2,234</u>

Note 5. Permanently Restricted Net Assets

Net assets were permanently restricted for an endowed professorship at June 30, 1999. The endowment requires a permanent trust of at least \$100,000. The original principal along with subsequent contributions cannot be expended. The interest earnings from the fund are to be used to help offset the expenditures necessary to employ and support the professor who holds the endowed professorship. The Foundation's permanently restricted net assets did not increase in 2006.

Note 6. Income Tax

The Foundation was incorporated on August 11, 1986. It is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Its purpose is to work with and support the services and programs of Elaine P. Nunez Community College.

**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION**

Notes to Financial Statements

Note 7. Related Party Transactions

The Foundation makes donations to Elaine P. Nunez Community College to support its various programs. The College provides the Foundation with office space and with part time administrative personnel free of charge. The value of these items has not been determined but is estimated to be immaterial and has not been recorded in these financial statements.

Note 8. Concentration of Credit Risk

The Foundation receives a majority of its funding from individuals and small businesses located in the Southeast Louisiana area. These donations are generally received through a pledge campaign from Friends of the College.

The Foundation has deposits at one financial institution in excess of the federally insured amount of \$100,000.

Note 9. Donated Services

The Foundation did not recognize any revenue as a result of donated services for the years ended June 30, 2006, as there were none that met the recognition criteria under generally accepted accounting principles.

Note 10. Investments

The Foundation owns two separate gifts of corporate stocks. The stocks are reported according to Statement of Financial Accounting (SFAS) No. 124, *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Under SFAS No. 124, the Foundation reports investments in equity securities with readily determinable fair values at fair value. Investments stated at fair value, at June 30, 2006 include:

Equity Securities	\$ 6,274
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Investment revenues during the year ended June 30, 2006 consisted of dividends totaling, \$214.



Independent Auditor's Report on Supplementary Information

To the Board of Trustees
Elaine P. Nunez Community College Foundation

Our report on our audit of the basic financial statements of Elaine P. Nunez Community College Foundation for June 30, 2006 appears on page 1. This audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The statement of Functional Expenses is presented for the purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements, and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A Professional Accounting Corporation

December 21, 2007

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**ELAINE P. NUNEZ
COMMUNITY COLLEGE FOUNDATION
Statement of Functional Expenses
For the Year Ended June 30, 2006**

Program Services	
Other	\$ 136
Endowed Professorships	1,780
Awards	<u>318</u>
Total Program Services	<u><u>2,234</u></u>
Fundraising Pledge Expense	
GALA Expense	<u>867</u>
Total Fundraising Expenses	<u><u>867</u></u>
Supporting Services	
Management and General	
Other	<u>4,320</u>
Total Management and General	<u>4,320</u>
Total Supporting Services	<u><u>4,320</u></u>
Other Expenses	
Assets Destroyed in Hurricane	<u>23,466</u>
Total Expenses	<u><u>\$ 30,887</u></u>

See independent auditor's report on supplementary information.